

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

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| <p><i>In re</i></p> <p>FTX TRADING LTD., <i>et al.</i>,¹</p> <p>Debtors.</p> | <p>Chapter 11</p> <p>Case No. 22-11068 (JTD) (Jointly Administered)</p> <p>Objections Due: January 6, 2025 at 4:00 p.m. (ET) Hearing Date: March 13, 2025 at 1:00 p.m. (ET)</p> |
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**FIRST INTERIM FEE APPLICATION OF
ASHBY & GEDDES, P.A.**

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| Name of Applicant | Ashby & Geddes, P.A. |
| Authorized to Provide Professional Services to | Robert J. Cleary, in his capacity as Examiner appointed in these Chapter 11 Cases |
| Date of Retention | April 19, 2024, <i>nunc pro tunc</i> to March 20, 2024 |
| Period for which compensation and reimbursement is sought | March 20, 2024, through October 8, 2024 |
| Amount of interim fees sought as reasonable and necessary: | \$112,800.50 ² |
| Amount of interim expenses sought as actual, reasonable and necessary | \$1,219.26 |
| Total compensation received to date for interim period: | \$89,702.40 |
| Total expenses received to date for interim period: | \$1,197.25 |
| Blended rate in this Application for all attorneys | \$730.33 |
| Blended rate in this Application for all timekeepers | \$635.14 |

¹ The last four digits of FTX Trading Ltd.'s and Alameda Research LLC's tax identification numbers are 3288 and 4063, respectively. Due to the large number of Debtor entities in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors' claims and noticing agent at <https://cases.ra.kroll.com/FTX>. The principal place of business of Debtor Emergent Fidelity Technologies Ltd is Unit 3B, Bryson's Commercial Complex, Friars Hill Road, St. John's, Antigua and Barbuda.

² Ashby did not file a monthly fee statement for services performed and expenses incurred during the period October 1, 2024 through October 8, 2024, but has included in this interim application the *de minimis* corresponding fees (\$672.50) and expenses (\$22.01) requested for this stub period.

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| Number of professionals included in this Application | 4 |
| Number of professionals not included in staffing plan | 0 |
| If applicable, difference between fees budgeted and compensation sought for this period | N/A |
| Number of professionals billing fewer than 15 hours in this Application during this period | 2 |
| Any rates higher than those approved or disclosed at retention? | No |

This is a(n) ____ monthly X interim ____ final application. No prior interim application has been filed with respect to this Application Period.

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| <p><i>In re</i></p> <p>FTX TRADING LTD., <i>et al.</i>,¹</p> <p>Debtors.</p> | <p>Chapter 11</p> <p>Case No. 22-11068 (JTD) (Jointly Administered)</p> <p>Objections Due: January 6, 2025 at 4:00 p.m. (ET) Hearing Date: March 13, 2025 at 1:00 p.m. (ET)</p> |
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**FIRST INTERIM FEE APPLICATION OF
ASHBY & GEDDES, P.A.**

Ashby & Geddes, P.A. (“Ashby”), Delaware Counsel to Robert J. Cleary, as the examiner (“Examiner”) appointed in the above-captioned bankruptcy cases (the “Chapter 11 Cases”) of FTX Trading Ltd. and certain of its affiliates (collectively, the “Debtors”), hereby submits this *First Interim Fee Application of Ashby & Geddes, P.A.* (the “Application”), for allowance of compensation for professional services rendered and reimbursement of expenses incurred during the period from March 20, 2024, through and including October 8, 2024 (the “Application Period”). In support of the Application, Ashby respectfully states as follows:

1 The last four digits of FTX Trading Ltd.'s and Alameda Research LLC's tax identification numbers are 3288 and 4063, respectively. Due to the large number of Debtor entities in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors' claims and noticing agent at <https://cases.ra.kroll.com/FTX>. The principal place of business of Debtor Emergent Fidelity Technologies Ltd is Unit 3B, Bryson's Commercial Complex, Friars Hill Road, St. John's, Antigua and Barbuda.

BACKGROUND

1. On November 11 and 14, 2022, the Debtors filed with the United States Bankruptcy Court for the District of Delaware (the “Court”) voluntary petitions for relief under title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (as amended or modified from time to time, the “Bankruptcy Code”). The Debtors continue to operate and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. Joint administration of the Debtors’ cases (the “Chapter 11 Cases”) was authorized by the Court by entry of an order on November 22, 2022, ECF No. 128. On December 15, 2022, the United States Trustee for Region 3 (the “U.S. Trustee”) appointed an official committee of unsecured creditors in the Chapter 11 Cases (the “Creditors’ Committee”). *See* ECF No. 231.

2. On January 9, 2023, the Court entered the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals*, ECF No. 435 (the “Interim Compensation Order”).

3. On March 8, 2023, the Court entered the *Order (I) Appointing Fee Examiner and (II) Establishing Procedures for Consideration of Requested Fee Compensation and Reimbursement of Expenses*, ECF No. 834, appointing Katherine Stadler (the “Fee Examiner”) to serve as the fee examiner in these Chapter 11 Cases and establishing certain procedures in connection therewith.

4. On February 23, 2024, the Court entered an order directing the U.S. Trustee to appoint an examiner in these Chapter 11 Cases, ECF No. 7909. On March 20, 2024 (the “Appointment Date”), the Court entered (i) the *Order Approving the Appointment of Examiner*, ECF No. 9882 (the “Appointment Order”) and (ii) the *Order (I) (A) Establishing the Scope, Cost, Degree, and Duration of the Examination and (B) Granting Related Relief; and (II) Permitting the*

Filing of Certain Information Regarding Potential Parties in Interest Under Seal, ECF No. 9883 (the “Examination Scope Order”).²

5. On April 3, 2024, the Examiner filed the *Examiner’s Application for an Order Authorizing the Employment of Ashby & Geddes, P.A. as Delaware Counsel Nunc Pro Tunc to the Appointment Date*, ECF No. 11087(the “Retention Application”). The Retention Application was approved on April 19, 2024. *See* ECF No. 12275.

6. The Examination Scope Order and Second Examination Scope Order provide, in relevant part, that the Examiner and any professional retained by the Examiner will be compensated pursuant to and in accordance with the Interim Compensation Order, sections 330 and 331 of the Bankruptcy Code, and any other applicable provisions of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) and Local Rules of Bankruptcy Practice and Procedure for the United States Bankruptcy Court for the District of Delaware (the “Local Rules”).

JURISDICTION

7. This Court has jurisdiction to consider this Application pursuant to 28 U.S.C. §§ 157 and 1334 and the amended standing order of reference issued by the United States District Court for the District of Delaware, dated February 29, 2012. This is a core proceeding pursuant to 28 U.S.C. §157(b).

8. Venue is proper in the Court pursuant to 28 U.S.C. §§ 1408 and 1409.

² On June 10, 2024, the Examiner filed the *Examiner’s Motion For (I) Authority to Conduct Additional Investigations and (II) An Order Establishing the Scope, Cost, Degree, and Duration of the Second Phase of the Examination and Granting Related Relief*, ECF No. 17166. On June 26, 2024, the Court entered the *Order (I) Granting the Examiner Authority to Conduct Additional Investigations and (II) Establishing the Scope, Cost, Degree, and Duration of the Second Phase of the Examination and Granting Related Relief*, ECF No. 19061(the “Second Examination Scope Order”).

RELIEF REQUESTED

9. Pursuant to the Interim Compensation Order, Ashby seeks interim approval and allowance of its compensation for professional services rendered to the Examiner and reimbursement of expenses incurred for the Application Period, including authorization for the Debtors to pay the 20% fee holdbacks (the “Holdbacks”) as provided under the Interim Compensation Order.

10. Ashby has filed and served four prior monthly fee statements covering in the aggregate through September 2024, *see* ECF No. 17789, 23077, 25680 and 26903 (the “Monthly Fee Applications”), respectively. The Monthly Fee Applications are incorporated by reference as if fully set forth herein.

11. For the avoidance of doubt, this Application seeks (i) allowance of compensation previously requested in the Monthly Fee Applications, (ii) payment of the aggregate related Holdbacks (\$22,425.60), and (iii) allowance and payment of \$694.51 for the limited services rendered and expenses incurred during the October 1 through October 8, 2024, stub period. This Application does not seek allowance or payment for any other amounts.

12. In accordance with the United States Trustee’s Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330 for Attorneys in Larger Chapter 11 Cases (the “U.S. Trustee Guidelines”), this Application is supported by the following exhibits:

- Exhibit A: Itemized description of services rendered during the October 1 through October 8, 2024 stub period;
- Exhibit B: Summary of Billing by Professional for the Application Period;

- Exhibit C: Summary of Compensation by Project Category for the Application Period;
- Exhibit D: Expense Summary for the Application Period;
- Exhibit E: Customary and Comparable Compensation Disclosures;
- Exhibit F: Certification of Michael D. DeBaecke in Support of the Application.

COMPENSATION REQUESTED

13. As Delaware counsel to the Examiner, Ashby seeks interim allowance of \$112,800.50 in fees for services rendered during the Application Period and reimbursement of \$1,219.26 in expenses incurred during the Application Period. Ashby requests that the Debtors be authorized to pay Ashby the \$22,425.60 in Holdbacks plus \$694.51 requested for services rendered and expenses incurred during the October 1-8 stub period.

14. During the Application Period, Ashby represented and assisted the Examiner with the discharge of his duties and responsibilities as Examiner pursuant to the Examination Scope Order, the Second Examination Scope Order, other orders of this Court, and applicable law. This work included, among other necessary legal services, the following tasks:

- a. attending and representing the Examiner at multiple hearings;
- b. regular communications with the Examiner's lead counsel (Patterson, Belknap, Webb & Tyler LLP and hereafter, "Patterson Belknap") and responses to questions posed in connection therewith;
- c. communications with counsel for other parties in these Chapter 11 Cases;
- d. services in connection with Patterson Belknap's monthly fee statements and/or interim fee applications;
- e. preparation, filing, and service of Ashby's monthly fee statements;
- f. communications with the Examiner, Patterson Belknap, U.S. Trustee counsel, and counsel to other major parties regarding confidentiality issues relating to the two Examiner Reports;

- g. monitoring the docket maintained in the Chapter 11 Cases and review of third-party filings with potential relevance to the Examiner's ongoing investigations and duties related thereto;
- h. communications with Patterson Belknap and assistance with the preparation, review, and filing of (i) Examiner's initial Report filed under seal on May 20 (ECF No. 15282) and unsealed on May 23 (ECF No. 15545) and (ii) Examiner's Phase II Report filed under seal on September 20 (ECF No. 25339) and unsealed on September 25 (ECF No. 25679);
- i. assistance in connection with the preparation and filing of supplemental annotations to the Examiner's initial Report; and
- j. communications with Patterson Belknap and assistance with the preparation, review, and filing of requests for relief related to the Examiner's investigations in these Chapter 11 Cases, including the (i) *Examiner's Motion to Amend the Examination Scope Order* (ECF No. 13627); (ii) *Examiner's Motion For (I) Authority to Conduct Additional Investigations and (II) An Order Establishing the Scope, Cost, Degree, and Duration of the Second Phase of the Examination and Granting Related Relief* (ECF No. 17166); (iii) *Examiner's Motion to Amend the Cost of Phase I Examination* (ECF No. 20342); (iv) *Motion to Amend Order (i) Granting the Examiner Authority to Conduct Additional Investigations and (ii) Establishing the Scope, Cost, Degree, and Duration of the Second Phase of the Examination and Granting Related Relief* (ECF No. 22294); (v) *Motion of Robert J. Cleary as the Examiner for Entry of An Order Authorizing and Directing Examination Under Oath of Lynn Nguyen* (ECF No. 24014); (vi) *Notice of Withdrawal of Motion of Robert J. Cleary as the Examiner for Entry of An Order Authorizing and Directing Examination Under Oath of Lynn Nguyen* (ECF No. 24454); and (vii) *Notice of Examiner's Phase II Report* (ECF No. 25337).

15. Ashby professionals expended 177.60 hours during the Application Period in connection with its representation of the Examiner.

16. Ashby's hourly rates for this matter are its customary and comparable hourly rates in effect as of January 1, 2024.

NOTICE

17. Notice of this Application has been given to (a) the U.S. Trustee; (b) the Debtors; (c) the Creditors' Committee; (d) the Fee Examiner; and (e) all parties that are required to be given notice pursuant to the Interim Compensation Order. In light of the nature of the relief requested

and the provisions of the Interim Compensation Order, Ashby submits that no other or further notice need be provided.

WHEREFORE Ashby respectfully requests that the Bankruptcy Court (i) approve the Application, (ii) approve prompt payment of the Holdbacks (\$22,425.60) and the additional amount of \$694.51 for the October 1-8 stub period, for a total requested payment of **\$23,120.11**, and (iii) grant such other and further relief as deemed just and proper.

Dated: December 16, 2024

Respectfully submitted,

ASHBY & GEDDES, P.A.

By: /s/ Michael D. DeBaecke
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*Delaware Counsel to Robert J. Cleary in his
capacity as Examiner appointed in the
Chapter 11 Cases*